



# City of North Miami & North Miami Community Redevelopment Agency

## North Miami Business Assistance Program

Program Guidelines and Application

January 2011



## CITY OF NORTH MIAMI & NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY (CRA)

#### NORTH MIAMI BUSINESS ASSISTANCE PROGRAM

#### **PURPOSE**

The purpose of the North Miami Business Assistance Program is two-fold: 1) to facilitate the attraction and location of selected new businesses to North Miami by providing financial assistance for interior build-out, and 2) to retain and promote the expansion of existing businesses by providing financial assistance for interior and exterior improvements.

More specifically, the program offers three types of grants:

- 1) <u>Business Attraction</u>: Up to \$10,000 for interior build-out for specific eligible businesses moving into the City.
- 2) Beautification: Up to \$15,000 to eligible commercial property owners or business operators for improvements to the exterior and /or interior of their buildings
- 3) Rehabilitation: Up to 50% of the total cost of interior and/or exterior improvements to the owners of eligible commercial buildings in an amount up to \$80,000.

The North Miami Business Assistance Program is funded by the North Miami CRA for projects located within the CRA district and funded by the Federal Community Development Block Grant (CDBG) program for projects located outside the CRA or projects within the CRA district in the case where CRA funding is not available.

The City/CRA (Grantor) will make grant payments to the awarded business (Grantee) in the form of reimbursement issued during the duration of the project and/or after the completion of the project. Projects must be pre-approved and an agreement executed with the City or CRA prior to commencing the project.

Interested businesses may apply for the program through the City's Department of Community Planning and Development (CP&D) on an ongoing basis subject to the availability of funding. Potential applicants for the North Miami Business Assistance Program should contact CP&D to determine if they are eligible.

Contact:

Dan Lima, Economic Development Specialist

**Community Planning and Development Department** 

City of North Miami

Tel: (305) 893-6511 ext. 12181 e-mail: <u>dlima@northmiamifl.gov</u>

### ELIGIBILITY REQUIREMENTS FOR BEAUTIFICATION AND REHABILITATION GRANTS

In order to be eligible for the Beautification and Rehabilitation grants through the North Miami Business Assistance Program, projects must meet all following requirements:

- The program is available to commercial property owners of eligible commercial buildings, business operators, as well as non-profit organizations.
- Leaseholders of commercial buildings must obtain approval from the property owner in order to participate in the program.
- Properties must be located within the City of North Miami boundaries or the CRA district boundaries to be eligible for the program. It is preferable that applicants be located along the City's major commercial corridors (West Dixie Highway, N.E. 125<sup>th</sup> Street, N.W. 7<sup>th</sup> Avenue, Biscayne Boulevard, and N.W. 119<sup>th</sup> Street,).
- A qualified building is a structure with commercial space on the ground floor with the street frontage and direct pedestrian access from the street. An eligible "façade" is the front face or elevation of the building, which typically faces the street, contains windows and is the principal entrance to the building.
- In order to be eligible for the program, the façade must be in need of assistance to correct physical decline (e.g. blighting conditions).
- Eligible work under the façade program typically includes installation of storefront windows, awnings, painting, roof parapets, canopy, stucco, tile, security enhancements, signs and exterior lighting. Site work such as walkways, parking pavement, fence gates, landscape, sign on wall, ADA stairs or ramps and loading docks may be eligible as an ancillary part of the proposed project.
- Work to upper portions of the façade of a building is eligible for the grant, provided that such work is part of a larger qualified project involving street level improvements and provided that such work does not involve residential portions of the building.
- Eligible interior building work includes: interior painting, lighting fixtures, flooring, security enhancements, ceiling and other fixed improvements necessary for the operation of the business. Security enhancements include, but are not limited to, security cameras, alarm systems, motion detectors, locks, replacement of current doors with impact resistant materials, and lighting which is used to enhance the building's safety.
- The following types of items are **not eligible** as interior building work: expenses with mobile elements (shelves, furniture, equipment, etc.), business expenses (inventory, payroll, licenses, taxes, utilities, maintenance, etc.), rent and moving expenses.

- All work must be pre-approved and permitted as may be required by the City and performed by a licensed contractor selected by the Grantee through a competitive bidding process.
- Property owner must notify all tenants about the proposed improvements to an assisted commercial property.

The following types of businesses and uses are <u>not eligible</u> to participate in the program:

- Residential and industrial buildings
- Properties occupied by religious institutions
- Adult bookstores or similar businesses
- Free standing liquor stores
- Commercial building containing ineligible uses listed above

The following types of work are generally **not eligible** for funding through the program:

- Roof replacement
- New construction or additions
- Work to buildings less than 5 years old
- Work on residential portions of a commercial building

#### LEASING REQUIREMENTS

Upon completion of the project, 50% of the ground-floor "leasable" commercial space must have leasing commitments of at least one year. If leasing requirements are not met at the time of final inspection, the property owner will be given 180 days to submit a one-year lease agreement to the grantor. If leasing requirements are not met after the extension, the Grantor will require the repayment of 100% of the grant.

#### PAST PROGRAM PARTICIPATION

Buildings that have been previously assisted by the CRA or the City of North Miami in the last 5 (five) years are generally not eligible.

#### CODE VIOLATIONS

Buildings with pending code violations are not eligible for the program, unless it is determined that the proposed scope of work includes the resolution of the code violation(s) in a manner that is deemed acceptable and appropriate in the sole discretion of the program administrator.

#### CHANGE IN OWNERSHIP

Program participation is not transferable to new property owners. New property owners must reapply to participate in the program.

In the case of a Commercial Beautification Grant, if the assisted property or business is sold during the three-year period following the completion of the project, the Grantor will recapture 100% of the grant.

In the case of a Commercial Rehabilitation Grant up to \$80,000, if the assisted property or business is sold during the five-year period following the completion of the project, the Grantor will recapture 100% of the grant. In the case of grant awards in excess of \$80,000, this claw-back requirement will be negotiated on a case by case basis.

<u>Property owner is forbidden to make any alterations to the funded improvements without written permission of the Grantor.</u>

#### TIME LIMITS

Construction must start 3 months from the date of signing of the agreement between the Grantee and the Grantor and must be completed 1 year from such date.

#### CONSISTENCY WITH CITY ORDINANCES

Projects must comply with all City of North Miami zoning code and building requirements.

To be eligible to participate in the program, applicants must comply with all program requirements. Failure to comply with the program requirements at any time will result in the applicant being dropped from the program. The Grantor is the sole interpreter of eligibility determinations, payment amounts and compliance with program requirements. All of the Grantor's decisions are final. Projects are not officially accepted in the program until an agreement between the applicant and the Grantor is signed.

#### FEDERAL REQUIREMENTS FOR CDBG FUNDED PROJECTS

Because grants under the program may be federally funded, all such projects must meet one of the federally established "National Objectives" and comply with all applicable federal regulations, including the Davis-Bacon Act and governing prevailing wages, the Contract Work Hours and Safety Standards Act and the Copeland Act (Anti-Kickback Act). The Community Planning and Development Department will determine if a proposed project meets the federally established "National Objectives".

## ALL CDBG FUNDED PROJECTS THAT INCLUDE INTERIOR WORK ARE SUBJECT TO A JOB CREATION REQUIREMENT.

#### **ELIGIBILITY CRITERIA FOR BUSINESS ATTRACTION GRANT**

- To qualify the business must be registered the State of Florida and have a current City Business Tax Receipt from the City of North Miami.
- To qualify the business must be located within the City's boundaries or the CRA district boundaries, and complement the City's retail mix as defined by the Targeted Business Category (see Business Category List).
- A qualified business must occupy a retail space on the ground floor with street frontage and direct pedestrian access from the street.
- Eligible work under the program includes: interior painting, lighting, fixtures, flooring, security enhancements, ceiling and other fixed improvements necessary for the operation of the business.

The following types of items are **not eligible** to participate in the program:

- Expenses with mobile elements (shelves, furniture, equipment, etc.)
- Business expenses (inventory, payroll, licenses, taxes, utilities, maintenance, etc.)
- Exterior improvements (façade, parking, fences, signs, landscaping, etc.)
- Rent and moving expenses
- Additions

#### OCCUPATION REQUIREMENTS

The recipient is required to be open for business within (30 days) thirty days of the completion of the project. If occupation requirements are not met, the business must immediately repay 100% of the grant to the Grantor.

#### LEASING REQUIREMENTS

If the business is a tenant, the Grantor will require the execution of written lease for a minimum term of three (3) years.

#### PROGRAM PARTICIPATION

The participation in the program by an eligible business is limited to one time.

#### CODE VIOLATIONS

Buildings with pending code violations are not eligible for the program, unless they are corrected prior to the grant award.

#### CHANGE IN OWNERSHIP

If the business is sold during the three-year period after the completion of the project, 100% of the grant must be repaid by the assisted business owner to the Grantor.

#### TIME LIMITS

Projects must be completed by the timetable outlined in an <u>Agreement</u> signed between the Grantor and the business owner and approved by the property owner in the case of a tenant.

#### FEDERAL REQUIREMENTS FOR CDBG FUNDED PROJECTS

Because the program is federally funded, all projects must meet one of the federally established "National Objectives" and comply with all applicable federal regulations, including the Davis-Bacon Act and governing prevailing wages, the Contract Work Hours and Safety Standards Act and the Copeland Act (Anti-Kickback Act). The Community Planning and Development Department will determine if a proposed project meets the federally established "National Objectives".

ALL CDBG FUNDED PROJECTS THAT INCLUDE INTERIOR WORK ARE SUBJECT TO A JOB CREATION REQUIREMENT.

#### **BUSINESS CATEGORY LIST**

Business categories eligible under the program include:

- Restaurant
- Furniture Store
- Art Gallery
- Bookstore
- Music Store/studio
- Specialty Food
- Coffee Shop
- Produce Market
- Photography Studio
- Dance Studio
- Specialty Retail

The Grantor reserves the right to reject any application and has the right to amend the business category list to accommodate special circumstances.

#### **APPLICATION PROCESS**

#### - APPLICATION SUBMITTAL

Complete the enclosed application and submit it to:

Dan Lima Community Planning and Development Department

12400 NE 8<sup>th</sup> Street North Miami, FL 33161

Please include with your application:

- Plans, drawings, or specifications for your project.
- Three comparable itemized cost estimates from different qualified contractors. Staff reserves the right to reject questionable estimates.

#### - APPROVAL PHASE

Upon approval of the project you will be issued a "Letter of Commitment" – indicating the amount of the grant approved by the Grantor for your project.

#### Receipt of the "Letter of Commitment" is not an authorization to begin work.

Within 30 days of receiving your "Letter of Commitment", you will sign an agreement with the Grantor, which will solidify your willingness to participate in the program. You will be required to provide copies of the final architectural drawings and of contracts with your General Contractor and subcontractors.

The contract will include a "Detailed Budget", which will define the amounts to be disbursed for each phase of the project (i.e. 25%, 50%, 75% and 100%).

#### - PRE-CONSTRUCTION PHASE

Within 10 days of signing a contract with the Grantor, you and your selected contractor(s) will then attend a "pre-construction meeting" with staff to review all program requirements.

#### - ISSUANCE OF PAYMENTS

The Grantor will issue four payments during the project: upon completion of 25%, 50%, 75% and 100% of the project. Upon completion of each phase of the project, program staff will inspect the project to ensure compliance with the approved plans and budget.

The Grantor will <u>reimburse</u> the property owner for the grant amount established in the agreement by issuing a check up to six weeks after staff inspections and after the following documentation has been submitted for each phase of the project.

- Request for payment/progress report on work completed/payments made to contractor/subcontractors
- Copies of cancelled checks (front and back) for the portion of the work completed. All project expenditures must be paid by check.
- Original, notarized partial and final "release of lien" from all contractors and subcontractors.
- The Grantor will retain 10% of each reimbursement payment made to the property owner until the project is completed.
- Final payment will be issued after all work has been completed, all the above mentioned documentation has been reviewed and accepted by the Grantor, and leasing and other program requirements have been met.

## CITY OF NORTH MIAMI & NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY BUSINESS ASSISTANCE PROGRAM

Project Address				
APPLIC	ANT INFORMATION			
Business	s/Owner's Information			
Name				
Address				
City		State	Zip	
Home tel	lephone	Work telephone		
Contact	Person			
Name				
Home tel	ephone	Work telephone		
Indicate indicate t	whether the Applicant is he type of entity below.	an individual or legal enti	ty and, if a legal entity,	
	ndividual(s)			
	usiness corporation			
	eneral partnership imited partnership			
	oint venture			
	ole proprietor			
O	ther entity (specify)			

If applicant is a private of the name, business address partner.	corporation, partnership or limit ress and percentage of owners	ted liability company, list below ship interest or control of each
Name	Business Address	% of interest
<b>Business Information</b>		
Description of business(e employees)	es) currently located in the prop	perty (Please include number of
,		
Type of Grant you are a	pplying for: (chose only one)	
businesses moving into the	· -	r built out to specific types of
	p to \$15,000 to commercial its to the interior and /or exterior	property owners or business r of their buildings)
to \$80,000 to commercial		nd/or exterior improvements, up

<b>Description of Proposed Improven</b> Provide 3 comparable estimates for t	
being considered for the program i  The Grantor reserves the right to	o deny the participation in the program of any
property with outstanding code vio	nations.
The Applicant,information is true and correct.	asserts that the preceding
Applicant (print name)	Applicant's signature
Company's Federal ID Number	

If the applicant is other	than the	property	owner o	of the	building,	the	following	line
must be completed.							Ü	

I certify that I, the trustee and/or owner of the below-cited property, give the above signed Applicant authority to implement improvements at the property as may be required under the North Miami Business Assistance Program.

Signature of own	er or trustee
Print owner or tru	stee name and capacity
Mail Application City of North M Community Plan Attention: Danu 12400 NE 8 <sup>th</sup> Av North Miami, Fl	iami nning and Development Department zio Lima enue
Tel: (305) 893-65	511 ext. 12181
For Office Use O	nly
Date Received	
Census Tract	
CDBG Eligibility (CDBG Administ	rator signature)

North Miami Business Assistance Program guidelines and application per CRA Board approval on 12-14-10 and City CPD review on 01-07-11